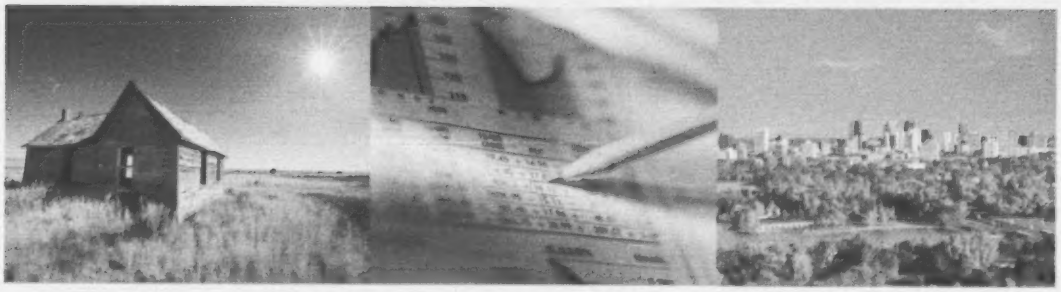
Saskatchewan Municipal Board



2014 Annual Report

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This annual report is also available in electronic format from the Board's website at www.smb.gov.sk.ca.

Letters of Transmittal

Her Honour, the Honourable Vaughn Solomon Schofield
Lieutenant Governor of Saskatchewan

May it Please Your Honour:

I respectfully submit the Annual Report of the Saskatchewan Municipal Board for the year ending December 31, 2014.

Jim Reiter
Minister Responsible
for the Saskatchewan Municipal Board

The Honourable Jim Reiter
Minister Responsible for the Saskatchewan Municipal Board

It is my honour to submit the Annual Report of the Saskatchewan Municipal Board for the year ending December 31, 2014.

Dianne Ford
Chair

Introduction

The Saskatchewan Municipal Board's (the Board) annual report outlines results and outcomes for the year ending December 31, 2014. It reports to the public and elected officials the commitments and key accomplishments of the Board.

The 2014 Annual Report is presented in relation to the vision and goals outlined in the Board's 2014-17 Strategic Plan.

The Report demonstrates progress made on Government commitments as stated in the Government Direction for 2013-14: Balanced Growth, the Minister's Mandate letter, throne speeches and other commitments and activities of the Board.

The Report also demonstrates the Board's commitment to effective performance reporting, transparency and accountability to the public.

Alignment with Government's Direction

The Board's activities in 2014 align with Government's vision and four goals:

Our Government's Vision

"... to be the best place in Canada – to live, to work, to start a business, to get an education, to raise a family and to build a life."

Government's Goals

- Sustaining growth and opportunities for Saskatchewan people.
- Securing a better quality of life for all Saskatchewan people.
- Meeting the challenges of growth.
- Delivering responsive and responsible government.

Together, all ministries and agencies support the achievement of Government's four goals and work towards a secure and prosperous Saskatchewan.

The Board supports the Government's plan for growth by:

- Supporting local authorities, primarily municipalities, in ensuring fiscally sustainable growth.
  - Providing advice and regulatory approval on capital financing, debt management, sewer and water rate establishment and other related financial matters.
- Supporting local authorities in meeting the challenges of growth.
  - Adjudicating applications for alteration of municipal boundaries or amalgamation of municipalities where there is a disagreement.
  - Hearing and deciding property assessment and planning appeals.
- Delivering responsive government.
  - Providing timely decisions and support.

Board Overview

Vision Statement

> *"Focusing on excellence in customer service, the Saskatchewan Municipal Board exemplifies leadership as an administrative tribunal that provides timely, reasoned, consistent decisions and approvals."*

The Board is an administrative tribunal established for regulatory and quasi-judicial purposes in dealing with issues from local authorities.

Additionally, the Board serves as the Board of Revenue Commissioners (the BRC). The BRC is responsible to hear and decide appeals on taxes assessed by the province and approves write-offs and cancellations of debt owing to the province.

Key stakeholders include local authorities, ratepayers, developers, tax agents, financial institutions, Crowns and ministries.

Located in Regina, the Board was staffed with 13 full-time equivalents which included four full-time board members. Additionally, the Board had nine part-time members located throughout the province.

The Board fulfills the majority of its mandate through "working" committees, which include: Local Government Committee, Municipal Boundary Committee, Assessment Appeals Committee, Planning Appeals Committee, Road Maintenance Agreement Committee, Weed Control Appeals Committee and Fire Prevention Appeals Committee.

The Board's organization chart is included on page 19.

Mandate

The Board is legislatively mandated to exercise discretion of a regulatory and quasi-judicial nature.

The Board's regulatory function is to review the debt obligations of some local authorities and oversee the financial health of municipalities.

The judicial function is to hear and determine appeals from the public, at the provincial level. These include property tax assessment appeals, municipal planning and development issues, noxious weed orders, municipal boundary issues, road maintenance agreements and fixed farmland assessment agreements.

Progress in 2014

The 2014-17 Strategic Plan continues to rejuvenate the Board by implementing recommendations from a Board Review, best practices for administrative tribunals and stakeholder feedback.

The Strategic Plan establishes two thematic goals:

1. Issue appeal decisions within an average of 60 days from hearing completion.
2. Issue decisions on Local Government Committee applications an average of 45 days from receipt of a complete application.

And three supporting goals:

1. Streamline stakeholder applications and appeal processes.
2. Acquire and implement technological solutions that will support the attainment of the Strategic Plan.
3. Enhance customer service and stakeholder relations.

Performance Measurement

Issue Appeal Decisions within an Average of 60 Days from Hearing Completion

Results

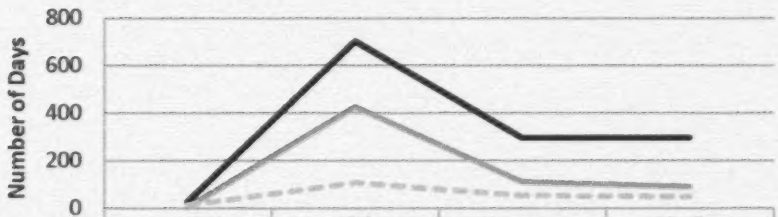
As outlined in Figure 1, the average number of days from hearing completion until the decision was issued was 295 in 2012 (for Assessment Appeals Committee only). In 2013, the average decreased to 111 days (for all appeal committees) and in 2014 this was further reduced to 55 days.

For appeals heard in 2013, only 26% of the decisions were issued within the 60 day target. For appeals heard in 2014, this increased to 71% of the decisions being issued within 60 days.

Key Actions Contributing to the Results

Several factors contributed to the attainment of this goal. These include:

Number of Days:
Hearing Until Decision Issued



	Low	High	Average	Median
Heard Jun-Dec 2012: 19 decisions (AAC only)	27	702	295	296
Heard Jan-Dec 2013: 43 decisions	5	427	111	91
Heard Jan-Dec 2014: 66 decisions	14	108	55	50

FIGURE 1

- Training of board members, directors and the research analyst in decision-making and decision writing. Decisions are written in plain language and citizen-centred.
- Reorganization of staff classifications; exchanging two administrative positions for a fourth full-time board member and introducing a research analyst position.
  - The additional full-time member provides a dedicated resource to the hearing and decision writing process.
  - The research analyst manages the decision process and provides support to the Board to ensure goal attainment.
- Implementation of pre- and post-hearing conferences, decision-making templates and decision outlines.
- Scheduling appeal hearings to allow decisions to be drafted within 60 days of the hearing.

Issue Decisions on Local Government Committee Applications an Average of 45 Days from Receipt of a Complete Application

Results

In 2014, the average turnaround time from application receipt to approval was 48 days. Figure 2 summarizes the average turnaround for each type of application.

	No. Complete	Average No. of Days
Debt Limit Established	6	38
Local Improvement Approval	13	72
Sewer and Water Rate Approval	164	61
Loan Authorization	38	51
Debenture Authorization	13	53
Loan Approval-in-Principle	4	128
Borrowing Bylaw Approval	53	19
Sign and Seal Debenture	28	4
Investment Approval	1	21
Overall	**320**	**48**

FIGURE 2

It is anticipated measurements will continue to improve in 2015, as enhanced processes initiated in 2014 benefit the full year.

Additionally, the 2014 measurement result is from receipt of the application and not receipt of a complete application. Often applications are submitted with missing information, which delays processing. The application complete date provides a more accurate measure of the timeline the Board controls. System changes completed in 2014-15 will allow the Board to capture the necessary data to appropriately measure this goal.

Key Actions Contributing to the Results

- Implementation of revised processes including a tiered approach to managing and analyzing incoming applications.
- Streamlining analysis to align with legislative requirements.

Supporting Goals:
Streamlined Applications and Procedures
Technological Solutions to Support the Strategic Plan
Enhanced Customer Service and Stakeholder Relations

Key Actions and Results

- Continued process reviews, including the development of simplified, user-friendly applications to support the approval process.
- Implementation of BoardEffect, a paperless hearing technology. Reduced time and costs associated with printing and compiling hearing binders for panel members. Allowed part-time members more timely access to information.
- Continued implementation of an integrated software solution (ProLaw). Provides a coordinated platform to implement standard work processes and improves reporting capabilities.
- Preliminary planning for website upgrade, leveraging development completed for Saskatchewan.ca.

- Enhance stakeholder relationships by: attending annual conferences and association meetings, hosting stakeholder meetings, and providing presentations and information sessions as requested.
- Initiated a customer satisfaction survey, which is distributed with decisions to Local Government Committee applicants.

Activity by Key Area

Local Government Committee

Major Activities

- Approve long-term borrowing including debenture issues.
- Approve local improvements.
- Approve sewer and water rates for towns, villages, rural and northern municipalities.
- Provide advice and assistance to stakeholders.

The purpose of approving long-term borrowing and local improvements is to ensure financial stability of local authorities and compliance with legislation.

The purpose of approving water and sewer rates, charges, tolls or rents, as they relate to service, is to ensure they are equitable for users and the utility is self-sustaining or moving in that direction.

Figures 3 to 6 illustrate ongoing approvals and authorizations of the Local Government Committee for 2014.

In 2014, there were a total of 51 borrowing applications. This was a decline from 63 in 2013.

There were 164 sewer and water rate approvals issued. This is significantly higher than the 108 approvals in 2013.

The Board is also responsible to establish the debt limit for the cities in the province. Total city debt limit established as of the end December 31, 2014, is $1.5073 billion.

Number of Miscellaneous Approvals Issued in 2014

	Cities	Conservation and Development Area Authority	Public Utility Boards	Northern Municipalities	Rural Municipalities	Towns	Villages	Total
Establish debt limit*	6	-	-	–	-	-	-	**6**
Borrowing:								
Approval-in-principle (permission not finalized in 2014)	-	-	-	-	-	3	1	**4**
Approval-in-principle (permission finalized in 2014)	-	-	-	-	-	-	1	**1**
Extension of time for authorization to borrow	-	1	-	-	-	1	-	**2**
Sewer and water rates	-	-	5	3	17	63	76	**164**
Investment**	-	-	-	-	1	-	-	**1**

* Includes 1 refusal/re-established at same level

** Refusal

FIGURE 3

Local Improvement Projects Approved in 2014

PROPOSED WORK AND ESTIMATED COST				
LOCAL AUTHORITY	NUMBER OF PROJECTS	WATER / SEWER MAINS	SURFACE WORKS	TOTAL
Cities	5	$ -	$4,226,394	$4,226,394
Towns	8	136,519	569,723	706,242
Resort Villages*	2	78,900	37,000	115,900
TOTAL	15	$ 215,419	$4,833,117	$5,048,536

*Includes 1 undertaken as a 5(1)(c)-without the right of petition by the ratepayers.

Amend Financial Arrangements pursuant to Section 8(2)(b) of *The Local Improvements Act, 1993*
NIL

FIGURE 4

Debentures Signed and Sealed in 2014

LOCAL AUTHORITY	NUMBER OF DEBENTURES	NUMBER OF ISSUES	TOTAL FACE VALUE	AVERAGE MONEY COST
Resort Villages	1	1	$ 100,000	3.70%
Rural Municipalities	2	2	850,000	3.10%
Towns	7	7	5,988,138	3.46%
Villages	4	4	1,260,000	2.96%
TOTAL	14	14	$8,198,138	

FIGURE 5

Agreement, Debenture, Loan and Lease Authorizations in 2014

	AGREEMENTS		DEBENTURES		LOANS		LEASES	
LOCAL AUTHORITY	AMOUNT	NUMBER	AMOUNT	NUMBER	AMOUNT[1]	NUMBER	AMOUNT	NUMBER
Conservation and Development Area Authority	-	-	$ -	-	$ 352,000	1	-	-
Rural Municipalities	-	-	15,078,000	3	7,430,000	5	-	-
Towns	-	-	1,273,211	3	13,504,400	17	-	-
Villages	-	-	1,713,100	7	5,035,378	15	$368,550	1
TOTAL	-	-	$18,064,311	13	$26,321,778	38	$368,550	1

[1] Loan amount includes $3,590,000 for financing operating expenditures.

FIGURE 6

Local Authority Historical Overview:
Purpose for Borrowing by Way of Debentures and Loans

	Debentures					Loans				
CLASSIFICATION	**2010**	**2011**	**2012**	**2013**	**2014**	**2010**	**2011**	**2012**	**2013**	**2014**
INFRASTRUCTURE	In $000s					In $000s				
Curbs, Gutters, Sidewalks	$ -	$ -	$ -	$ -	$ -	$ 60	$ -	$ 896	$ -	$ 508
Dams & Reservoirs	-	608	-		-	2,836	180	800	-	502
Pavement	8,000	9,774	350	108	14,634	1,800	2,817	1,922	7,030	8,265
Sewage Treatment, Lagoon	-	11,909	1,500	3,183	229	2,674	7,842	1,820	3,107	1,600
Water Facilities	3,579	4,717	3,760	18,568	50	26,561	11,013	19,079	4,812	6,695
Sanitary Sewers, Lift Stations	175	416	3,153	-	-	2,021	3,523	2,438	5,845	1,450
Transit Systems	-	-	-	-	-	-	-	-	-	-
Bridges	-	-	-	-	-	-	-	-	-	-
Gravel	-	-	-	-	-	335	-	200	800	-
Landfill	-	-	-	-	-	-	273	-	-	-
Other	-	800	-	-	-	-	-	-	-	-
Total	$ 11,754	$28,224	$ 8,763	$21,859	$14,913	$ 36,287	$25,648	$27,155	$ 21,594	$ 19,020
BUILDINGS & LAND										
Offices	$ -	$ -	$ -	$ -	$ -	$ 817	$ 720	$ -	$ 330	$ 1,085
Workshops	-	-	-	1,500	-	-	300	-	-	-
Hospitals, Clinics	-	-	-	-	500	-	-	6,800	90	1,398
Recreation & Culture	1,394	47	-	-	500	800	11,650	300	1,000	-
Schools/Day Care	-	-	-	-	-	-	-	31,193	540	-
Land	623	-	-	-	1,140	3,663	1,490	-	-	-
Fire Stations	-	200	-	-	620	-	-	153	-	-
Long-term Care Facility	-	-	3,550	2,500	-	-	-	-	867	-
Residential Housing	-	-	-	-	-	-	146	140	-	-
Stores	-	-	-	-	-	35	-	-	-	-
Other	-	853	-	760	-	-	100	3,800	311	-
Total	$ 2,017	$ 1,100	$ 3,550	$ 4,760	$ 2,760	$ 5,315	$14,406	$42,386	$ 3,138	$ 2,483
MACHINERY & EQUIPMENT										
Protective	$ -	$ -	$ -	$ 110	$ 392	$ -	$ -	$ 68	$ -	$ 342
Computers	-	-	-	-	-	-	-	-	-	-
Transportation	50	-	-	-	-	831	915	1,565	597	887
Other	-	-	-	-	-	75	-	-	-	-
Total	$ 50	$ -	$ -	$ 110	$ 392	$ 906	$ 915	$ 1,633	$ 597	$ 1,229
Included in above:										
Loans for interim financing						$ 3,252	$ 9,919	$21,483	$ 8,429	$ 6,000
Loans for refinancing, redeeming, and restructuring outstanding debt						$ 568	$ 1,149	$ 775	$ 2,232	-

FIGURE 7

Assessment Appeals Committee

Major Activities

- Hear and determine assessment appeals pertaining to the tax exempt status and assessed values of real property, local improvement assessments, and conservation and development area authority assessments.
- Hear direct appeals with respect to industrial or commercial properties exceeding $1 million in assessed value, where the appellant, the board of revision, and the municipality have agreed to proceed in this manner or where an application for leave to consolidate appeals has been granted.
- Provide advice and support to stakeholders with the appeal application and process.

The purpose is to provide a second level of appeal to applicants, municipalities, as well as conservation and development area authorities, where they are not satisfied with decisions of the local board of revision.

The Committee strives to hear appeals within a reasonable time of receipt of a notice of appeal, taking into consideration the availability of the parties and hearing location. Where practical, appeals with similar issues are grouped and heard at the same time.

Revaluation cycles are four years in Saskatchewan, with 2013 being the first year of the current cycle.

In 2013, a number of municipalities received extensions for the board of revision. As shown in Figure 8, of the 337 appeals the Committee received, 203 appeals (61%) were in the last quarter of 2013 and the first quarter of 2014.

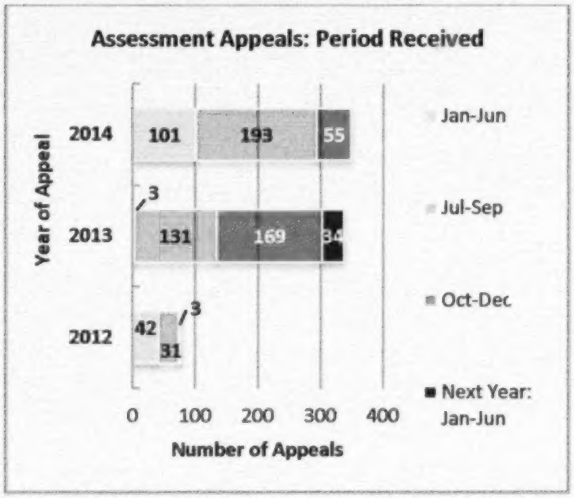


FIGURE 8

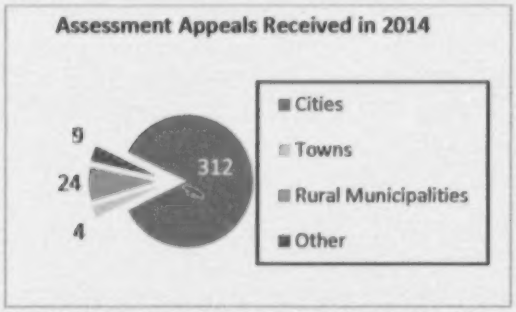
As a result of the increase in volume and delayed receipt, 131 appeals from 2013 remain to be heard as of December 31, 2014.

Figure 9 shows the status of the outstanding assessment appeals. The two appeals from 2010 and 2011 were before the Court of Appeal. The Board will issue its decision in mid-2015.

Assessment Appeals Caseload Overview	Appeal Year					
	2009	2010	2011	2012	2013	2014
Received	**175**	**102**	**112**	**78**	**337**	**349**
Invalid/Withdrawn	10	17	19	15	59	20
Decided	165	84	92	63	103	3
To be heard:						
- To be scheduled	0	0	0	0	94	316
- Hearing scheduled	0	0	0	0	34	10
- Adjourned indefinitely	0	0	0	0	3	0
Heard - decision pending	0	1	1	0	44	0

FIGURE 9

Of the 349 assessment appeals received in 2014, 312 or approximately 89% were for cities. Figure 10 shows the breakdown of the 2014 appeals.



Note: Other includes villages, resort villages and northern municipalities.

FIGURE 10

Fire Prevention Appeals Committee

Major Activities

- Hear and determine appeals and matters concerning fire prevention arising from orders issued by a fire inspector or commissioner or certificate for costs incurred in carrying out an order respecting fire prevention and safety.

The purpose is to provide a second level of appeal to applicants where they are not satisfied with decisions of the local board.

The Committee did not receive any appeals in 2014.

Planning Appeals Committee

Major Activities

- Hear and determine appeals relating to municipal planning and development and the subdivision of land.
- Provide advice and support to stakeholders with the appeal application and process.

The purpose is to provide a provincial level of appeal to applicants where they are not satisfied with decisions by the local development appeals board or an authorized subdivision approving authority. Also, to provide an avenue for appeals where there is no local development appeals board.

The Committee strives to hear appeals as soon as practical upon receipt of a complete application, giving consideration to the construction season.

Where legislation permits, the Committee attempts to facilitate an agreement between the affected parties prior to a formal hearing.

Figure 11 shows the status of the outstanding appeals and a historic review of the caseload of the Committee. Of the appeals received in 2014, 23 related to development issues, six to subdivision applications, two to off-site and development levies, and three to servicing agreements.

Planning Appeals Caseload Overview	Appeal Year					
	2009	2010	2011	2012	2013	2014
Received	17	22	18	29	26	34
Invalid/Withdrawn	1	4	4	4	10	6
Awaiting information	0	0	0	0	0	0
Decided	16	18	14	24	16	11
To be heard:						
- To be scheduled	0	0	0	0	0	8
- Heard - adjourned indefinitely at request of parties	0	0	0	1	0	1
- Hearing scheduled	0	0	0	0	0	3
Heard - decision pending	0	0	0	0	0	5

FIGURE 11

Municipal Boundary Committee

Major Activities

- Review applications for the alteration of municipal boundaries or the amalgamation of municipalities.
- Provide advice and support to stakeholders with the application and process.

The purpose of reviewing applications is to facilitate an agreement between the affected parties or, where this cannot be accomplished, to hear and decide on the proposed alteration.

The full-time members of the Board and part-time members from the Saskatchewan Urban Municipalities Association and Saskatchewan Association of Rural Municipalities make up this committee.

Following receipt of a complete application and proof that mediation has occurred, the Committee hears and decides within a legislated four month timeframe.

Decisions are based on *The Municipal Board Act,* which outlines the matters the Committee shall take into consideration respecting boundary disputes.

In 2014, the Committee rendered a decision on one file.

Road Maintenance Agreement Committee

Major Activities

- At a first level, hear and determine applications relating to road maintenance agreements including the terms of the proposed agreement as well as whether or not an agreement is required.
- Where the parties have entered into an agreement, any issue involving any matter governed by the agreement.
- Provide advice and guidance to the municipalities and the haulers regarding the determination process.

In 2014, the Committee received 13 applications from one municipality. Resolution of 12 of these files was facilitated by the Committee prior to a determination. The remaining application was resolved in early 2015.

A 2012 determination, challenged to the Court of Queen's Bench, was remitted back to the Committee for clarification and delineation of reasons in 2014. This matter is scheduled for 2015.

Figure 12 shows the status of the outstanding appeals and a historic review of the past three years of the caseload of the Committee.

Road Maintenance Agreement Caseload Overview	2012	2013	2014
Received	**6**	**8**	**16**
Invalid	0	1	0
Withdrawn:			
- Prior to determination	1	3	13
- Resolved at determination	1	0	0
No jurisdiction	0	1	2
Decided	4	3	0
Heard – decision pending	0	0	0
Not scheduled – awaiting information	0	0	1

FIGURE 12

Board of Revenue Commissioners

The Board of Revenue Commissioners (BRC) is established pursuant to Section 13(1) of *The Revenue and Financial Services Act.* Full-time members of the Saskatchewan Municipal Board act as members of the BRC and are responsible to the Minister of Finance.

Major Activities

- At a first level, hear and determine appeals regarding taxes due or assessed in accordance with any provincial taxing authority as well as any other monies claimed to be due and payable to the Crown.
- Approval of any write-off or cancellation of monies owing to the Crown.

Figure 13 shows the status of outstanding BRC appeals.

Board of Revenue Commissioners Caseload Overview	Appeal Year						
	2008	2009	2010	2011	2012	2013	2014
Received	**37**	**13**	**35**	**22**	**6**	**23**	**15**
Invalid/Withdrawn	19	9	30	19	5	17	3
Decided:	17	4	3	2	0	2	1
- File closed	1	0	1	0	0	0	0
To be heard:							
- Not scheduled - awaiting submission[1]	0	0	0	1	0	1	9
- Not scheduled - awaiting information	0	0	0	0	1	3	0
- Hearing scheduled	0	0	0	0	0	0	1
- To be scheduled	0	0	0	0	0	0	1
To be closed:							
- Appellant cannot be located or is bankrupt or matter resolved and awaiting withdrawal from appellant	0	0	1	0	0	0	0
Heard - decision pending	0	0	0	0	0	0	0

[1] These appeals are generally in the process of negotiations or audit in progress.

FIGURE 13

Figure 14 shows the write-offs and cancellations approved by the BRC.

	2010		2011		2012		2013		2014	
	No.	$'s	No.	$'s	No.	$'s	No.	$'s	No.	$'s
Cancellations	**7**	12,542,023	**23**	4,313,200	**13**	642,116	**13**	1,476,306	**19**	1,140,070
Write-off's	**22**	1,844,506	**39**	9,367,968	**23**	5,221,621	**32**	11,722,411	**28**	2,602,936
TOTAL	**29**	14,386,529	**62**	13,681,168	**36**	5,863,737	**45**	13,198,717	**47**	3,743,006

Note: Two write-off's totalling $28,943.57 were received in December 2014 and not approved until 2015.

FIGURE 14

Summary of Hearings and Decisions Issued in 2014

Appeals with the same issues may be grouped for the purpose of hearing and issuing a decision. Figure 15 summarizes the number of hearings held and decisions issued in 2014 and the number of appeals dealt with.

	Hearings		Decisions Issued	
	No.	No. of Appeals	No.	No. of Appeals
Heard and issued in 2014*	87	180	66	128
Heard prior to 2014; issued in 2014			19	48
Total	87	180	85	176

*21 decisions (52 appeals) to be issued in 2015

FIGURE 15

Summary of Matters Appealed to Court of Queen's Bench or Court of Appeal

In 2014, eight decisions of the Board were appealed to the Court of Queen's Bench or to the Court of Appeal.

	No.	Status
Assessment Appeals	4	2-Motion to obtain leave heard; awaiting decision 1-Awaiting request to send record 1-Motion to obtain leave to be heard
Board of Revenue Commissioners	2	2-Awaiting filing of material
Planning Appeals	2	1-Awaiting filing of material 1-Leave granted

FIGURE 16

Goals for 2015

The Board made significant strides in 2013 and 2014 towards achieving the goals set out in the Strategic Plan; however, a number of key actions remain to be undertaken to achieve organizational rejuvenation.

Key actions to complete in 2015 include:

Timeliness of Decisions and Approvals

- Continue process reviews building on a culture of continuous improvement.
- Maximize efficiencies from implementation of integrated software solution (ProLaw).
- Ongoing training and implementation of best practices to enhance case management associated with appeal files.
- Define staff responsibility and accountability; ensure appropriate training and accountability measures are in place.
- Continue to monitor and improve decision and approval timelines.
- Improve timeline from receipt of appeal to hearing.
- Identify ways to address the increasing caseload and moving cases through to decision more quickly, including consideration of new hearing management strategies.

Supporting Goals: Technology and Enhanced Customer Service

- Integration of ProLaw with other technologies.
- Development of a citizen-centred user-friendly website.
- Improve access to past decisions.
- Deliver a strategy for communicating decision timelines to applicants and appellants.
- Engage stakeholders in process discussions to provide transparency and build capacity.
- Continue customer satisfaction survey, monitor progress and implement changes as necessary to improve customer satisfaction.
- Develop guides and information sheets based on new processes.
- Continue proactive outreach and education activities with stakeholders.

2014 Financial Overview

Financial Results

Total 2013-14 expenses for the Board were $1.593 million, representing a variance of $153 thousand under the approved appropriation. The variance resulted from lower than anticipated funding requirements for the organizational realignment and lower than anticipated honorariums due to delayed receipt of appeals.

The total 2013-14 revenues were $109.2 thousand, a variance of $55.2 thousand above budget. The variance is primarily due to greater than normal debenture authorization fees from a significant regional project.

The operating and staffing costs associated with the BRC are absorbed within the Board's budget.

Statement of Expenditure

	Actual 2013-14	Budget / Estimate 2013-14	Variance Over/(Under)	Note
	In thousands of dollars			
Salaries	$ 1,132	$ 1,325	$ 193	[1]
Operating Expenses	461	421	(40)	[2]
TOTAL	**$ 1,593**	**$ 1,746**	**$ 153**	

Explanations of Variances - Notes

[1] - Lower than anticipated costs associated with the organizational realignment and honorariums lower than anticipated due to delayed timing of receipt of appeals.

[2] - Higher than anticipated professional development costs and office supply costs related to large volume of appeals received.

Statement of Revenue

Description of Revenue	Actual 2013-14	Budget / Estimate 2013-14	Variance Over/(Under)	Note
Filing Fees	$ 12,050	$ 15,000	$ (2,950)	[1]
Debenture Authorizations	83,688	35,000	48,688	[2]
Debenture Forms	12,900	4,000	8,900	[2]
Refunds - Previous Years Expense	315	-	315	
Personal Phone Call Reimbursement	288	-	288	
TOTAL	**$109,241**	**$ 54,000**	**$ 55,241**	

Explanations of Variances - Notes

[1] - Filing fees are treated as conditional receipts until the finalization of the appeal. Appellants that are successful in their appeal or withdraw their appeal have the fee refunded to them. Where the appellant is not successful in their appeal, the filing fee is transferred from conditional receipts to revenue.

[2] - A higher than anticipated number and dollar value of debentures issued, primarily due to a large regional project.

Financial Accountability Statement

The Board is responsible for ensuring:

- public accountability for Government finances entrusted to the Board;
- fiscally responsible management of its resources and financial affairs;
- compliance with existing legislation and regulations;
- systems and controls are in place to safeguard public assets; and
- appropriate results are reported to the public and the legislature.

There are a number of external controls in place to monitor these responsibilities. These include:

Audited Results - The Provincial Auditor's Office has legislative responsibility to audit the Board in conjunction with the Ministry of Government Relations audit. Audit conclusions are published in a report to the Legislative Assembly of Saskatchewan. If a deficiency is reported by the Provincial Auditor, the Board may be called to appear before the Public Accounts Committee of the Legislature.

Accountable to Legislature - The Board's annual budget is detailed in the Saskatchewan Provincial Budget Estimates. The Board is called to appear before a Legislative Committee to defend the Board's budget estimates.

Public Reporting - Expense and revenue details as they pertain to the Board are published in the Board's Annual Report and included with the Ministry of Government Relations in the Public Accounts volumes 1 and 2.

For More Information

Additional information about the Saskatchewan Municipal Board is available at www.smb.gov.sk.ca and the Board of Revenue Commissioners is available at www.gov.sk.ca/BRC.

The website includes general and detailed information about the Board, its key services and legislation for which the Board is responsible.

For more information about the Board, or to provide feedback about our 2014 Annual Report, please contact us at:

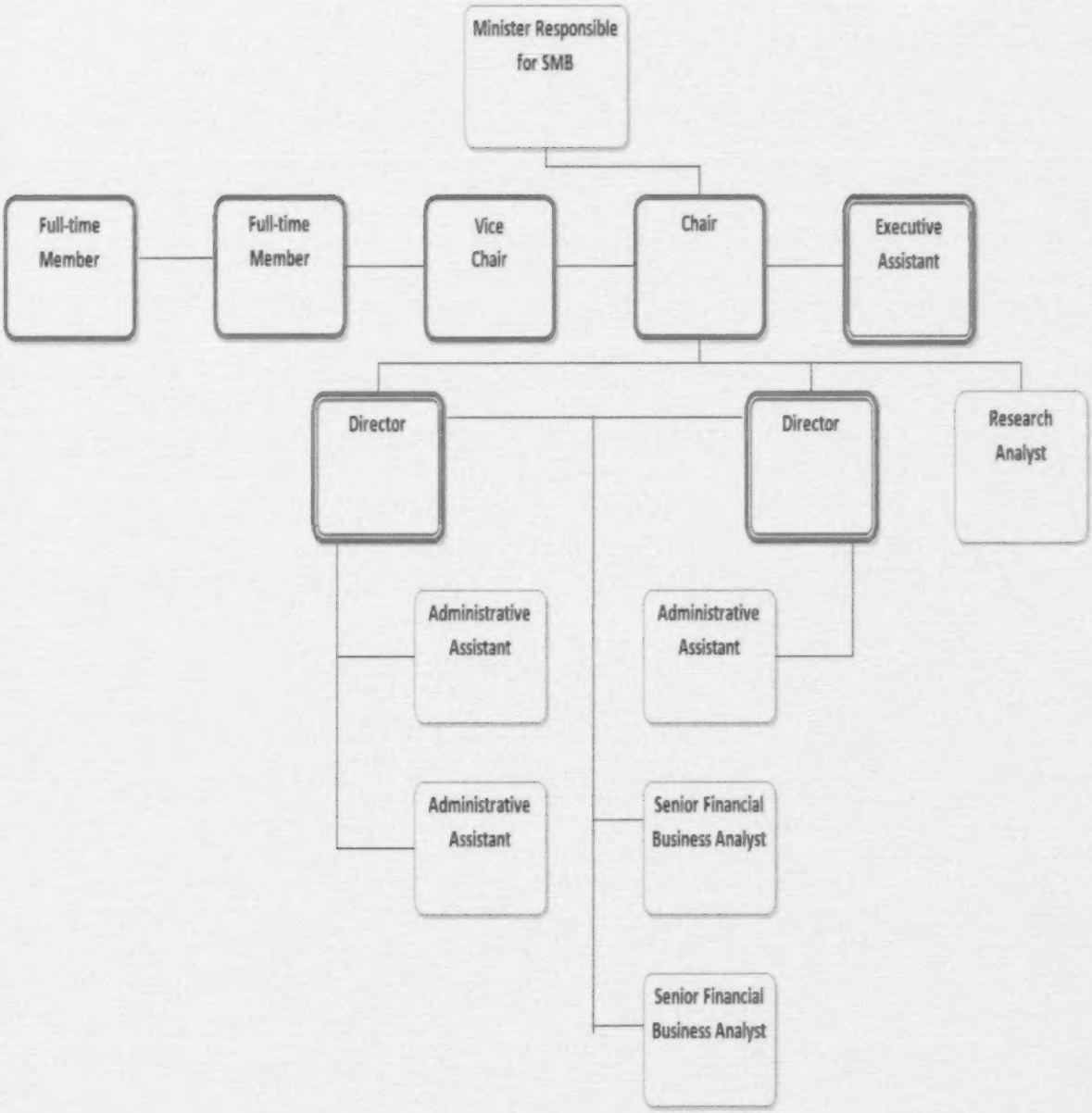
Phone:	(306) 787-6221
Email:	info@smb.gov.sk.ca
Mailing address:	Saskatchewan Municipal Board 480 - 2151 Scarth Street REGINA SK S4P 2H8

Appendices

Appendix 1 - Organizational Chart

SASKATCHEWAN MUNICIPAL BOARD

December 31, 2014



Appendix 2 – Legislation

The Board fulfills its mandate through a number of acts and their associated regulations. Enabling legislation is listed below:

The Assessment Management Agency Act
The Cities Act
The Conservation and Development Act
The Education Act, 1995
The Fire Prevention Act, 1992
The Global Transportation Hub Authority Act
The Local Improvements Act, 1993
The Municipal Board Act
The Municipalities Act
The Northern Municipalities Act, 2010
The Planning and Development Act, 2007

The Board has authority to approve or determine matters under several other acts; however, applications and/or appeals under these acts are not often received.

The Board fulfills its mandate as the BRC through the following enabling legislation:

The Corporation Capital Tax Act
The Crown Minerals Act
The Fire Prevention Act, 1992
The Freehold Oil and Gas Production Tax Act, 2010
The Fuel Tax Act, 2000
The Liquor Consumption Tax Act
The Mineral Taxation Act, 1983
The Provincial Sales Tax Act
The Revenue and Financial Services Act
The Tobacco Tax Act, 1998

There are seven other acts the BRC has authority to approve or determine matters under; however, appeals pursuant to these acts are not often received.